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Cambodia: The government unveiled by Sihanouk in Peking yesterday is a mixture of veteran politicians and energetic leftists.

Penn Nouth, a well-known Cambodian politician who has served as prime minister in past Sihanouk governments, has been picked to head the "Royal Government of National Union." Nouth's loyalty to Sihanouk and his political prestige make him the logical choice for the position, but because of age and poor health he almost certainly is only a figurehead. Government leaders in Phnom Penh who had hopes that Nouth might be persuaded to return will be disappointed that he has lent his name to Sihanouk's cause.

As anticipated, a number of prominent Cambodian leftists were given key portfolios in the cabinet, including national defense, interior, and information. These individuals, three of whom were leading members of the National Assembly until Sihanouk's 1967 purge forced them to flee the capital, are young, capable, and at one time had some following among the youth and intellectuals in Cambodia.

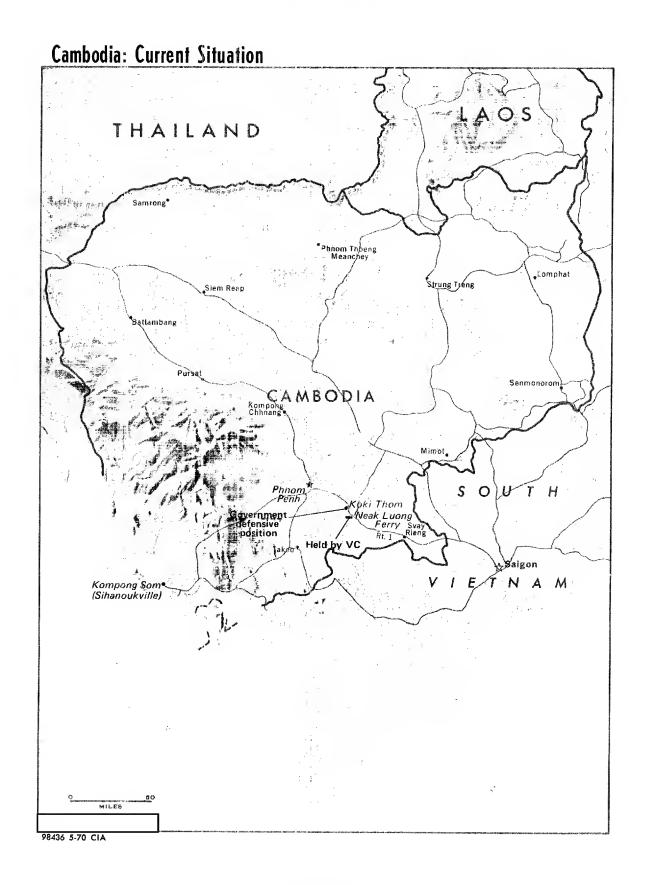
The new government is nominally under the direction of the "National United Front of Cambodia," whose chairmanship is held by Sihanouk, and probably will continue to function in the Chinese capital. The announcement did not make any further mention of Sihanouk's own plans to return to Cambodia.

The Chinese both quickly endorsed the new government and announced the breaking of diplomatic relations with the Lon Nol government—the first time Peking has taken the initiative in breaking relations with another state. The move was almost certainly first coordinated with Hanoi, which probably will issue a similar announcement shortly, and underscores Communist determination to bring down

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the Lon Nol government. The move probably was in train for some time and flows logically from previous Communist actions and pronouncements, but its timing may have been determined by US military moves in Cambodia.

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In military action in Cambodia, Communist troops still hold both banks of the Mekong River at the Neak Luong ferry crossing. No significant fighting has developed as yet between government defense forces dug in at the village of Koki Thom, several miles north on Route 1, and Communist elements which reportedly have been advancing toward them.

In an effort to boost morale, the government has issued a statement asking its troops to hold on for another ten days, after which time the Communists will be unable to keep fighting. The appeal noted that aid for Cambodia is coming from everywhere, particularly from ethnic Cambodian troops recently flown in from South Vietnam.

The government continues to blame Vietnamese residents of Cambodia for many of the recent military reverses. It has also ordered a daily 20-hour curfew for all Vietnamese in Phnom Penh. These actions could contribute to the possibility of a blood bath against the Vietnamese in the capital despite the government's cooperation with Saigon in setting up a repatriation program.

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Demilitarized Zone THAILAND CAMBODIA Fishhook Area Parrot's Beak Area MILES 98437 5-70 CIA VC/NVA base area along Cambodian border

New Allied Drive Meets Little Communist Resistance

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South Vietnam - Cambodia: Allied forces have met limited resistance in their drive from the central highlands into Cambodia.

The Communists have concentrated their main combat strength in the highlands this year in a siege against the Dak Seang Special Forces camp. US and South Vietnamese sweeps through enemy sanctuaries farther south appear to be closing in on fairly large Communist military complexes. A base in the Fishhook area may be one of the dispersed components of COSVN. In the Parrot's Beak, allied units are moving into what appears to be an extensive enemy training and logistic base.

American armored forces operating out of the Fishhook area ran into some of the stiffest enemy resistance to date yesterday as they drove north and attacked Communist units that had earlier seized the Cambodian border town of Snoul.

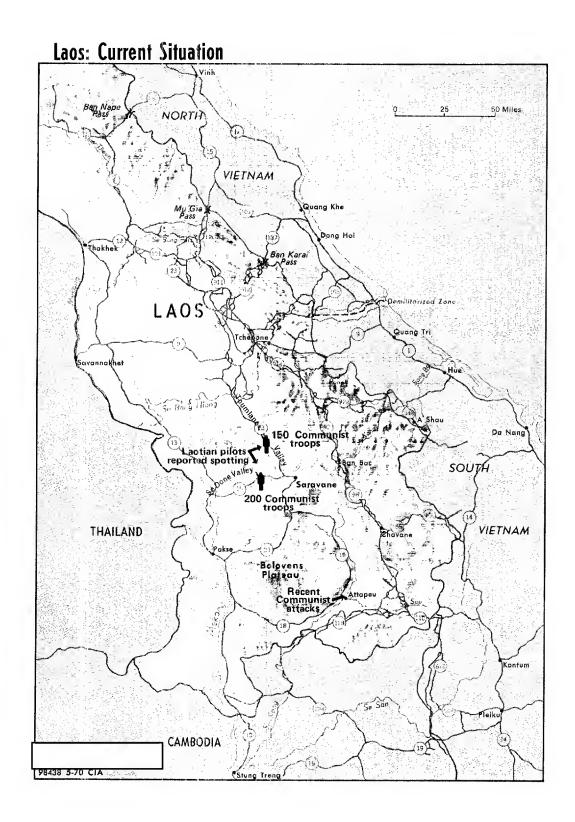
The allies have reported killing some 2,500 enemy troops in the Fishhook and Parrot's Beak operations, most of them by air strikes and in scattered small clashes. Some 2,200 enemy weapons, about 450 tons of rice, and at least 230 vehicles have been captured or destroyed. The US has lost 16 dead; some 150 South Vietnamese soldiers have been killed.

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Laos: Apprehension is increasing in the south that the Communists may soon attack the town of Saravane. company-size forces north and west of Saravane in the Toumlane and Se Done valleys. Although these units were still some distance from the town, their presence tends to support earlier reports [25X1 that a movement of new Communist forces into the region is under way. 25X1 enemy troop movements of regimental size are headed toward the Toumlane area. the uneasiness of government troops following recent Communist attacks against Attopeu town and the southern edge of the Bolovens Plateau. The Communists apparently are trying to play on such fears in Saravane by spreading leaflets declaring that the town will be attacked on 20 May. Such notices have been distributed in the past only for propaganda purposes, but persons recently escaping from Attopeu reported that similar warnings were posted there shortly before the town was seized. Saravane is a provincial capital which, despite enemy control of much of the surrounding countryside, has remained free from attack. It is possible, however, that the Communists are looking for another relatively cheap victory in southern Laos, in part at least to help compensate for their continuing frustrations in the north. 25X1

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South Vietnam: Saigon appears to be threatened with renewed disturbances by Buddhist and student groups, and the cabinet has reportedly ordered a crackdown.

Rival Buddhist factions have begun to use force against each other, and more serious armed clashes between the two major sects are possible. Part of the trouble stems from the larger and more dynamic An Quang Buddhists' resentment that the Quoc Tu faction is recognized by the government as the official Buddhist church in South Vietnam. Efforts at reconciliation, which were attempted as recently as last month, have always failed and enmity between the factions has grown. Efforts by the Thieu government to control strife between the two factions are likely to lead to new charges of government repression against the An Quang.

Quang leader Tri Quang has been counseling restraint in recent months, because he feared provoking renewed government repression of the An Quang faction. Such counsels, however, are apparently now being ignored by An Quang activists.

Meanwhile, relatively moderate student leaders reportedly fear that they may be losing control over the student protest movement in Saigon.

these leaders have circulated a proclamation among students in Saigon disclaiming responsibility for last week's street demonstrations and urging students not to participate in any future demonstrations except those officially sanctioned by the Saigon Students' Union. last week's demonstrations were reportedly led by a more militant group which is trying to get control of the Saigon student movement.

The government is clearly concerned about the threat of more violent student agitation, and following a special cabinet meeting, has ordered that all schools and universities in South Vietnam be closed indefinitely.

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Barbados: The government is taking steps to head off trouble during the black power conference scheduled for 8-12 July.

Prime Minister Barrow, apparently spurred by the disorders in Trinidad in recent weeks, has taken a strong stand against the violence that has been associated with the black power movement. In a hard hitting speech last Thursday he proposed a new public order act that would provide criminal penalties for persons preaching racial hatred and would require advance notice of speakers and topics at public gatherings. These proposals have drawn only mild criticism from the political opposition and seem to have evoked a favorable public reaction. Bermuda took similar legislative steps before the first Caribbean black power conference in Hamilton last year, which proceeded peacefully.

Several of the Caribbean governments appear to be taking precautions against a possible repetition of the disturbances that swept Trinidad. Some of the smaller islands have banned visits by the more well-known agitators. Minister of State Ramphal of Guyana has speculated about the possibility of creating a Caribbean Defense Force to protect the smaller territories whose own forces are inadequate to handle widespread disorders.

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Poland-Vatican: Poland's Roman Catholic primate has made a strong public appeal for formal Vatican recognition of the country's western frontiers long demanded by the Polish regime.

Stefan Cardinal Wyszynski spoke at an outdoor Mass on 3 May in Wroclaw (Breslau), on the 25th anniversary of de facto Polish ecclesiastical administration of the former German territories east of the Oder-Neisse line. Wyszynski, who in the past has frequently opposed the Gomulka regime, prayed that the Vatican would give de jure sanction to Polish church administration in these areas. Since World War II, the provisionally drawn dioceses at issue have been alternatively under the control of temporary Polish bishops and of apostolic administrators responsible to the Holy See.

Wyszynski's public stand underscores a position long held by the powerful Polish church, and is likely to be welcomed by the Polish people, 95 percent of whom are Roman Catholic. In early April the Polish episcopate issued a statement making the same point and, in an unprecedented move, called for joint talks among the episcopate, the Gomulka regime, and the Vatican.

Neither the Vatican nor the Polish Government has yet publicly responded to this proposal. The government may be seeking clarification and await-The Vatiing indications of the papal attitude. can seems likely to maintain the position that it cannot take any steps on the territorial question in the absence of a peace treaty or a Polish -West German accord on the frontier. For this reason, the Holy See has been watching closely the progress of the Warsaw-Bonn political talks on this issue.

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Church-state relations in Poland have been improving in recent years, despite continued harassment on the parish level. The episcopate hopes that, as one result of formal Vatican recognition of the border, it would obtain title to former German church property in the territories. This property is now under state control, even when used by the church.

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Portugal: A grant of amnesty to university students involved in recent demonstrations is a victory for liberal elements who support reform of the educational system.

Minister of Education Veiga Simao has announced that students of the University of Coimbra who had been drafted into the army for "poor comportment" have been released from active duty and given regular student deferments. This is a dramatic withdrawal of a traditional government weapon against student unrest. The move will bring an outcry from some conservatives. The further announcement, however, that President Thomaz has taken the initiative to shelve criminal charges against students who shouted insults at him last year will enable Premier Caetano to show that he has important conservative backing for his plans to ease university tensions.

Since the beginning of the year the University of Lisbon has been troubled by student unrest and the temporary closing of several faculties, basically growing out of poor conditions at the school. In National Assembly debates over the past month on university reform, sharp lines have been drawn between conservatives and liberals. Conservatives want to see order re-established at the universities before any reform projects are undertaken, while liberals hold that only through speedy reform will it be possible to maintain order. government has evidently decided to move forward with reforms. As a first step, legislation raising professional salaries has been proposed. prospects appear good that the government will slowly overcome conservative opposition to reform, but progress may not be fast enough to avoid further campus trouble.

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Korea: South Korean security forces have killed three more North Korean seaborne infiltrators. The dead, believed to be two escort agents and their boatman, were ambushed as they tried to carry out the exfiltration of the leaders of an espionage group which had been apprehended earlier this year and which apparently provided the information for setting up the ambush. Eight North Koreans have been killed in this year's comparatively low number of rear-area incidents at a cost of one South Korean killed and five wounded.

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Peru: Anaconda's Cerro Verde copper concession may be the first casualty of Peru's nationalistic new mining code. Peru is insisting upon 51-percent state ownership of the mine, and German and Japanese companies interested in financing part of the \$60 million cost also want part ownership. Anaconda may consider its remaining share of ownership too small and allow the concession to revert to Peru.

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Peru: The war of nerves between the military government and the press was intensified over the May Day holiday. Reacting to continuing press criticism and charges of Communist influence in the government, the leftist minister of mines spoke out harshly against the "enemies of the revolution" controlling newspapers that conspire against the government with their "traitorous editorials." The minister said that as a result "we will see their total disappearance from the Peruvian scene." These threats may presage new government action as a follow-up to

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the expropriation of two opposition newspapers last

March and the closing of another.

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Yemen: The Yemen Arab Republic may be facing a financial crisis that could jeopardize moves toward a rapprochement with Saudi Arabia. Sana claims it urgently needs about \$10 million in cash to retain the support of the army and tribes and to pay government salaries. According to the Yemeni prime minister, some radical Arab states have canceled loans in order to force Yemen to end its efforts to conciliate with Saudi Arabia

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Lesotho: Prime Minister Jonathan and leaders of three opposition parties have agreed to "disregard" the January elections. Since he seized power after those elections, Jonathan has abolished the constitution, jailed dissenters, forced the King into exile, and ruled by fiat. Under pressure from the UK to normalize the political situation, however, Jonathan began discussions with the opposition in late March. He apparently hoped to obtain endorsement for his new constitution and approval for another election, while opposition leaders -- some of whom are under detention -- were believed to be insisting on an immediate coalition government. Although the present agreement falls short of all these objectives, it demonstrates that the principals are at least trying to find a way out of their three-month impasse.

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Dahomey: Youth and labor leaders have called for a general strike to protest the compromise civilian government that is scheduled to be sworn in tomorrow. The new government is to be headed by Hubert Maga, a northern politician who is unpopular in southern cities where most students and workers are located. It will be hard-pressed to meet their demands for drastic tax reductions.

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